

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL MEMORANDUM**

**SB 239 – HB 177**

March 22, 2012

**SUMMARY OF AMENDMENT (014974):** Deletes all language after the enacting clause. Extends initial issuance period for the Historic Collierville new specialty earmarked license plates to July 1, 2013.

**FISCAL IMPACT OF ORIGINAL BILL:**

**Increase State Revenue –**

\$3,800/General Fund/One-Time/FY11-12

\$15,600/ Historic Collierville/FY11-12

\$12,500/Arts Commission/FY11-12

\$3,100/Highway Fund/FY11-12

\$17,500/Historic Collierville/FY12-13 and Subsequent Years

\$14,000/Arts Commission/FY12-13 and Subsequent Years

\$3,500/Highway Fund/FY12-13 and Subsequent Years

**Increase State Expenditures - \$3,800/One-Time/FY11-12**

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Increase State Revenue –**

**\$4,200/General Fund/One-Time/FY12-13**

**\$15,400/ Historic Collierville/FY12-13**

**\$12,300/Arts Commission/FY12-13**

**\$3,100/Highway Fund/FY12-13**

**\$17,500/Historic Collierville/FY13-14 and Subsequent Years**

**\$14,000/Arts Commission/FY13-14 and Subsequent Years**

**\$3,500/Highway Fund/FY13-14 and Subsequent Years**

**Increase State Expenditures - \$4,200/One-Time/FY12-13**

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Assumptions applied to amendment:

- Revenue (1,000 plates at \$35.00 each)
- According to the Department of Revenue, the cost of production has increased from \$3.76 per plate to \$4.25 per plate.
- Expenditures (Production cost: 1,000 plates at \$4.25 each = \$4,250 one-time).
- Pursuant to Tenn. Code Ann. § 55-4-201(h)(1), new specialty earmarked license plates will be subject to a minimum order of at least 1,000 plates prior to initial issuance. Any plate that does not meet the minimum order requirement within one year after passage of the act authorizing the plate will become invalid.
- The requisite number of plates will not be sold by the July 1, 2013 deadline.
- Net proceeds from the sale of such plates will be allocated as follows: 50 percent to Historic Collierville; 40 percent to the Tennessee Arts Commission; and 10 percent to the State Highway Fund.

### **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/rct